

IN THE CLAIMS

1.- 10. (Cancelled)

11. (Original) A method for automatically rebalancing a portfolio of an investor, comprising the steps of:

for a first time, determining a human capital of the investor;

dividing the human capital of the investor into at least first and second investment types according to a predetermined formula, the first and second investment types having different degrees of risk;

summing a financial worth of the investor and the human capital to derive a total worth of the investor;

making a target allocation of the total worth of the investor between the first and second investment types according to a predetermined, stored ratio;

for the first time, recommending an allocation of the assets of the financial worth of the investor between the first and second investment types such that the asset allocation of the total worth of the investor meets or most closely approaches the target allocation; and

for the first time, using the last said recommendation of allocation of assets to determine how assets in an investment portfolio of the investor ought to be allocated among predetermined investment vehicles.

12. (Original) The method of Claim 11 and further comprising the steps of:

for a second time following the first time, recalculating the human capital of the

investor;

for the second time, recommending an allocation of the assets of the financial worth of the investor between the first and second investment types such that the asset allocation of the total worth of the investor most closely approaches the stored ratio; and

for the second time, using the last said recommendation of allocation of assets to determine how assets in the investment portfolio of the investor ought to be allocated among predetermined investment vehicles.

13. (Cancelled)

14. (Original) The method of Claim 11, wherein the human capital is determined as a function of the investor's age.

15. (Original) The method of Claim 14, wherein the human capital is additionally determined as a function of the investor's mortality, income and savings rate.

16.-29. (Cancelled)

30. (Withdrawn) A system for allocating assets of each of a plurality of participant portfolios in a benefit plan established on behalf of an employer of the participants, comprising:

an automated benefit plan manager configured to buy and sell shares of a plurality of predetermined investment vehicles of varying risk;

a database coupled to the automated benefit plan manager and including a plurality of records each representing the assets of a participant portfolio, each portfolio having assets distributed among the predetermined investment vehicles, the sum of the assets of the participant portfolios constituting the assets of the benefit plan; and

an automated independent investment advisor coupled to the automated benefit plan manager for transmitting investment instructions to the plan manager, the independent investment advisor, for each participant, calculating a human capital of the participant, the independent investment advisor formulating instructions to the plan manager as to the allocation of assets of the portfolio of the last said participant based on the calculation of human capital.

31. (Withdrawn) The system of Claim 30, wherein the automated independent investment advisor is coupled to a record keeper containing data on the participants, the automated independent investment advisor calculating the human capital of a participant as a function of record keeper data concerning the last said participant.

32. (Withdrawn) The system of Claim 30, wherein the automated independent investment advisor includes a participant interface for receiving from each participant respective participant data, the advisor calculating the human capital as a function of the participant data received from the participant.

33. (Withdrawn) The system of Claim 30, wherein the automated investment advisor includes a participant interface, the advisor presenting a recommended allocation of portfolio assets to each participant over the participant interface and accepting modifications of the allocation of portfolio assets from the participant, the automated investment advisor instructing the plan manager to make an allocation of assets of the portfolio of the participant based on the recommendations of the investment advisor as modified, if at all, by the participant.

34. (Withdrawn) The system of Claim 30, wherein the automated investment advisor calculates a first model portfolio based on the human capital of the participant as calculated using the present participant savings rate and retirement age and a probable replacement retirement income based on the model portfolio, the advisor further calculating a plurality of alternative cases in which the savings rate is varied from the present savings rate, the investment advisor displaying a plurality of the cases to the participant for the participant to select one of the cases.

35. (Cancelled)

36. (Withdrawn) The system of Claim 30, wherein the automated investment advisor calculates a first model portfolio based on the human capital of the participant as a function of the present participant savings rate and a first assumed retirement age and a probable replacement retirement income based on the first model portfolio, the advisor further calculating a plurality of alternative cases in which the retirement age is varied

from the first assumed retirement age, the investment advisor displaying a plurality of the cases to the participant to select one of the cases.

37. - 50. (Cancelled)

51. (Original) A machine-readable medium on which has been prerecorded a computer program which, when executed by a processor, performs the steps of:

for a first time, determining a human capital of an investor;

dividing the human capital of the investor into at least first and second investment types according to a predetermined formula, the first and second investment types having different degrees of risk;

summing a financial worth of the investor and the human capital to derive a total worth of the investor;

making a target allocation of the total worth of the investor between the first and second investment types according to a predetermined, stored ratio;

for the first time, recommending an allocation of the assets of the financial worth of the investor between the first and second investment types such that the asset allocation of the total worth of the investor meets or most closely approaches the target allocation; and

for the first time, using the last said recommendation of allocation of assets to determine how assets in an investment portfolio of the investor ought to be allocated among predetermined investment vehicles.

52. (Original) The medium of Claim 51, wherein the processor further performs the steps of:

for a second time following the first time, recalculating the human capital of the investor;

for the second time, recommending an allocation of the assets of the financial worth of the investor between the first and second investment types such that the asset allocation of the total worth of the investor most closely approaches the stored ratio; and

for the second time, using the last said recommendation of allocation of assets to determine how assets in the investment portfolio of the investor ought to be allocated among predetermined investment vehicles.

53. (Original) The medium of Claim 51, wherein the processor determines the human capital as a function of the investor's age

54. (Original) The medium of Claim 53, wherein the processor additionally determines the human capital as a function of the investor's mortality, income and savings rate.

55. - 63. (Cancelled)

64. (Previously presented) A system for automatically rebalancing a portfolio of an investor, comprising:

a memory for storing a value for a human capital of at least one investor and data relating to the assets composing a financial worth of the investor;

a processor coupled to the memory and programmed to divide the human capital of the investor into at least first and second investment types according to a predetermined stored formula, the first and second investment types having different degrees of risk;

the processor further programmed to sum the financial worth of the investor with the human capital of the investor to derive a total worth of the investor;

the processor further programmed to make a target allocation of the total worth of the investor between the first and second investment types according to a predetermined, stored ratio;

the processor calculating, at a first time, a recommended allocation of the assets of the financial worth of the investor between the first and second investment types such that the asset allocation of the total worth of the investor meets or most closely approaches the target allocation, and

the memory at the first time storing the recommended allocation of the assets of the financial worth of the investor for use in directing the allocation of assets in a portfolio of the investor.

65. (Previously presented) The system of Claim 64, wherein at a second time following the first time, the processor recalculates the human capital of the investor, the

processor calculating a recommended allocation of assets of the financial worth of the investor between the first and second investment types such that the asset allocation of the total worth of the investor most closely approaches the ratio stored in the memory, the memory at the second time storing the recommended allocation of assets for use in directing the allocation of assets of the portfolio of the investor.

66. (Cancelled)

67. (Previously presented) The system of Claim 64, wherein the memory stores the age of the investor, the processor calculating the investor's human capital as a function of the investor's age.

68. (Previously presented) The system of Claim 64, wherein the memory stores the investor's mortality, income and savings rate, the processor calculating the investor's human capital as a function of the investor's mortality, income and savings rate.

69.-73. (Cancelled)

74. (Withdrawn) A method for allocating assets of each of a plurality of participant portfolios in a benefit plan established on behalf of an employer of the participants, comprising the steps of:

establishing an automated benefit plan manager to buy and sell shares of a plurality of predetermined investment vehicles of varying risk;

maintaining a database to have a plurality of records each representing the assets of a participant portfolio, each portfolio having assets distributed among the predetermined investment vehicles, the sum of the assets of the participant portfolios constituting the assets of the benefit plan;

using an automated independent investment advisor to calculate, for each participant, a respective human capital;

using the automated independent investment advisor to formulate investment instructions as to the allocation of assets of the portfolio of each participant based on the step of calculating the human capital for that participant; and using the automated independent investment advisor to transmit the investment instructions to the plan manager.

75. (Withdrawn) The method of Claim 74, and further including the steps of:
establishing a record keeper to contain data on the plan participants;
coupling the record keeper to the automated independent investment advisor; and
calculating the human capital of each participant as a function of data obtained from the record keeper concerning that participant.

76. (Withdrawn) The method of Claim 74, and further including the step of
calculating the human capital of a participant based on participant data received from the participant.

77. (Withdrawn) The method of Claim 74, and further including the steps of:

using the automated independent investment advisor to present, over a participant interface, a recommended allocation of assets;

through the participant interface, accepting modifications by the participant of the allocation of portfolio assets; and

using the automated independent investment advisor to instruct the plan manager to make an allocation of assets of the portfolio of the participant based on the recommendation of the investment advisor as modified, if at all, by the participant.

78. (Withdrawn) The method of Claim 74, and further comprising the steps of:

using the automated investment advisor to calculate a first model portfolio based on the human capital of the participant as calculated using the present participant savings rate and retirement age and a probable replacement retirement income based on the model portfolio;

using the automated investment advisor to calculate a plurality of alternative cases in which the savings rate is varied from the present participant savings rate; and

displaying a plurality of the cases to the participant so that the participant may select one of the cases.

79. (Withdrawn) The method of Claim 74, and further comprising the steps of:

using the automated investment advisor to calculate a first model portfolio based on the human capital of the participant as a function of the present participant savings

rate and a first assumed retirement age and a probable replacement retirement income based on the first model portfolio;

using the automated investment advisor to calculate a plurality of alternative cases in which the retirement age is varied from the first assumed retirement age; and

displaying a plurality of the cases to the participant to permit the participant to select one of the cases.

80. (Withdrawn) A machine-readable medium on which has been prerecorded a compute program which, when used to program a processor, creates an automated investment advisor which performs the steps of:

calculating, for each of a plurality of participants in an employer benefit plan, a respective human capital;

formulating investment instructions as to the allocation of assets of an investment portfolio of each participant based on the step of calculating the human capital for that participant; and

transmitting the investment instructions to an automated benefit plan manager which buys and sells shares of a plurality of predetermined investment vehicles of varying risk according to the investment instructions, each participant portfolio having assets distributed among the predetermined investment vehicles.

81. (Withdrawn) The medium of Claim 80, wherein the automated investment advisor further performs the steps of:

linking to a record keeper which contains data on the plan participants; and
calculating the human capital of each participant as a function of data obtained from the
record keeper concerning that participant.

82. (Withdrawn) The medium of Claim 80, wherein the automated investment
advisor calculates the human capital of a participant based on participant data received
from the participant.

83. (Withdrawn) The medium of Claim 80, wherein the automated independent
advisor performs the additional steps of:

presenting, over a participant interface, a recommended allocation of assets;
through the participant interface, accepting modifications by the participant of the
allocation of portfolio assets; and

instructing the plan manager to make an allocation of assets of the portfolio of
the participant based on the recommendation of the investment advisor as modified, if at
all, by the participant.

84. (Withdrawn) The medium of Claim 80, wherein the automated independent
advisor performs the further steps of:

calculating a first model portfolio based on the human capital of the participant
as calculated using a present participant savings rate and retirement age and a probable
replacement retirement income based on the model portfolio;

calculating a plurality of alternative cases in which the savings rate is varied from the present participant savings rate; and

using a display coupled the advisor to display a plurality of the cases to the participant for the participant to select one of the cases.

85. (Withdrawn) The medium of Claim 80, wherein the automated independent advisor further performs the steps of:

calculating a first model portfolio based on the human capital of the participant as a function of a present participant savings rate and a first assumed retirement age and a probable replacement retirement income based on the first model portfolio;

calculating a plurality of alternative cases in which the retirement age is varied from the first assumed retirement age; and

using a display coupled to the advisor to display a plurality of the cases to the participant to permit the participant to select one of the cases.

86. (Previously presented) A method for automatically rebalancing a portfolio of an investor, comprising the steps of:

determining a human capital of an investor;

retrieving a financial worth of the investor;

summing the financial worth of the investor with the human capital to derive a total worth of the investor;

making a target allocation of the total worth of the investor according to predetermined, stored criteria;

recommending an allocation of the assets of the financial worth of the investor such that the asset allocation of the total worth approaches the target allocation; and using the last said recommendation of allocation of assets to determine how assets in an investment portfolio of the investor ought to be allocated among predetermined investment vehicles.

87. (Previously presented) A machine-readable medium on which has been prerecorded a computer program which, when executed by a processor, performs the steps of:

determining a human capital of an investor;

retrieving a financial worth of the investor;

summing the financial worth of the investor and the human capital to derive a total worth of the investor;

making a target allocation of the total worth of the investor according to predetermined, stored, criteria;

recommending an allocation of the assets of the financial worth of the investor such that the asset allocation of the total worth of the investor meets or most closely approaches

the target allocation; and

using the last said recommendation of allocation of assets to determine how assets in an investment portfolio of the investor ought to be allocated among predetermined investment vehicles.

88. (Previously presented) A system for automatically rebalancing a portfolio of an investor, comprising:

a memory for storing a value for a human capital of at least one investor and data relating to the assets composing a financial worth of the investor;

a processor coupled to the memory and programmed to sum the financial worth of the investor with the human capital of the investor to derive a total worth of the investor;

the processor further programmed to make a target allocation of the total worth of the investor between the first and second investment types according to predetermined criteria

stored in the memory;

the processor calculating a recommended allocation of assets of the financial worth of the investor such that the asset allocation of the total worth of the investor meets or

most closely approaches the target allocation; and

the memory storing the recommended allocation of assets of the financial worth of the investor for use in directing the allocation of assets in a portfolio of the investor.